

AMENDED IN SENATE MAY 21, 2013

Senate Constitutional Amendment

No. 3

Introduced by Senators Leno, Hill, and Pavley
(Principal coauthors: Senators Corbett and Wolk)
(Coauthors: Senators De León, DeSaulnier, Evans, Price, and Yee)
(Coauthors: Assembly Members Ammiano, Buchanan, and Gordon)

December 3, 2012

Senate Constitutional Amendment No. 3—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 4 of, and by adding Section 4.5 to, Article XIII A thereof, by amending Section 2 of Article XIII C thereof, and by amending Section 3 of Article XIII D thereof, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SCA 3, as amended, Leno. Taxation: educational entities: parcel tax.

The California Constitution generally conditions the imposition of a special tax by a city, county, or special district, including a school district, upon the approval of $\frac{2}{3}$ of the voters of the city, county, or special district voting on that tax.

This measure would alternatively condition the imposition, extension, or increase of a parcel tax, as defined, by a school district, community college district, or county office of education upon the approval of 55% of its voters voting on the proposition, if the proposition meets specified requirements. This measure would also make conforming changes to related provisions.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

1 *Resolved by the Senate, the Assembly concurring,* That the
2 Legislature of the State of California at its 2013–14 Regular
3 Session commencing on the third day of December 2012,
4 two-thirds of the membership of each house concurring, hereby
5 proposes to the people of the State of California, that the
6 Constitution of the State be amended as follows:

7 First—That Section 4 of Article XIII A thereof is amended to
8 read:

9 SEC. 4. Except as provided by Section 4.5, a city, county, or
10 special district, by a two-thirds vote of its voters voting on the
11 proposition, may impose a special tax within that city, county, or
12 special district, except an ad valorem tax on real property or a
13 transactions tax or sales tax on the sale of real property within that
14 city, county, or special district.

15 Second—That Section 4.5 is added to Article XIII A thereof,
16 to read:

17 SEC. 4.5. (a) The imposition, extension, or increase of a parcel
18 tax on real property by a school district, community college district,
19 or county office of education, as may otherwise be authorized by
20 law, is subject to approval by 55 percent of the voters of that district
21 or county voting on the proposition, if all of the following
22 conditions are met:

23 (1) The proposition is approved by a majority vote of the
24 membership of the governing board of the school district,
25 community college district, or county office of education.

26 (2) The proposition contains all of the following accountability
27 requirements:

28 (A) A list of the specific purposes and programs that are to be
29 funded.

30 (B) A requirement that the proceeds be used only for the
31 purposes and programs specified in the proposition, and not for
32 any other purpose.

33 (C) To ensure compliance with subparagraph (B), a requirement
34 that the governing board of the school district, community college
35 district, or county office of education conduct an annual
36 independent financial audit of the amount of parcel tax proceeds
37 collected and expended, and the specified purposes and programs
38 funded.

39 (D) To ensure compliance with subparagraph (B), a requirement
40 that the governing board of the school district, community college

1 district, or county office of education establish a citizens' oversight
2 committee to review all expenditures of proceeds and financial
3 audits, and report its findings to the governing board and to the
4 public.

5 (3) The proposition allows for an exemption from tax, to be
6 claimed under procedures established by the county, for any parcel
7 that, as of January 1 of each year, is owned by and upon which is
8 located the principal residence of, either a person or persons ~~65~~
9 ~~years of age or older, or, without regard to age, a person or persons~~
10 ~~receiving Social Security Disability Insurance benefits, regardless~~
11 ~~of age, whose yearly income does not exceed 25 percent of the~~
12 ~~2012 federal poverty guidelines issued by the United States~~
13 ~~Department of Health and Human Services, or a person or persons~~
14 receiving Supplemental Security Income for a disability.

15 (b) For purposes of this section, "parcel tax" means a special
16 tax imposed upon a parcel of real property at a rate that is
17 determined without regard to that property's value.

18 (c) The total amount of parcel tax impositions, increases, or
19 extensions submitted to the voters for approval in accordance with
20 this section at any election by a school district, community college
21 district, or county office of education shall be established by the
22 governing board of the school district, community college district,
23 or county office of education and shall not exceed that amount.
24 This maximum amount shall be annually adjusted to account for
25 inflation, measured as the annual change, from June to June of
26 each year, ~~in the United States city average of the Consumer Price~~
27 ~~Index for All Urban Consumers, as published by the United States~~
28 ~~Bureau of Labor Statistics, or any successor to that index. in the~~
29 *California Consumer Price Index, as published by the Department*
30 *of Industrial Relations, or any successor to that index.*

31 (d) Proceeds of any tax approved pursuant to this section shall
32 not be used to pay salaries of any administrator of any school
33 district, community college district, or county office of education.

34 (e) This section does not limit any other authority of a school
35 district, community college district, or county office of education
36 to impose a special tax approved in accordance with Section 4 of
37 this article or Section 2 of Article XIII C.

38 Third—That Section 2 of Article XIII C thereof is amended to
39 read:

1 SEC. 2. Notwithstanding any other provision of this
2 Constitution:

3 (a) Any tax imposed by any local government is either a general
4 tax or a special tax. A special district or agency, including a school
5 district, has no authority to levy a general tax.

6 (b) A local government may not impose, extend, or increase
7 any general tax unless and until that tax is submitted to the
8 electorate and approved by a majority vote. A general tax is not
9 deemed to have been increased if it is imposed at a rate not higher
10 than the maximum rate so approved. The election required by this
11 subdivision shall be consolidated with a regularly scheduled general
12 election for members of the governing body of the local
13 government, except in cases of emergency declared by a unanimous
14 vote of the governing body.

15 (c) Any general tax imposed, extended, or increased, without
16 voter approval, by any local government on or after January 1,
17 1995, and prior to November 6, 1996, may continue to be imposed
18 only if that general tax is approved by a majority vote of the voters
19 voting in an election on the issue of the imposition, which election
20 shall be held no later than November 6, 1998, and in compliance
21 with subdivision (b).

22 (d) Except as provided by Section 4.5 of Article XIII A, a local
23 government may not impose, extend, or increase any special tax
24 unless and until that tax is submitted to the electorate and approved
25 by a two-thirds vote. A special tax is not deemed to have been
26 increased if it is imposed at a rate not higher than the maximum
27 rate so approved.

28 Fourth—That Section 3 of Article XIII D thereof is amended
29 to read:

30 SEC. 3. (a) An agency shall not assess a tax, assessment, fee,
31 or charge upon any parcel of property or upon any person as an
32 incident of property ownership except:

33 (1) The ad valorem property tax imposed pursuant to Article
34 XIII and Article XIII A.

35 (2) Any special tax receiving a two-thirds vote pursuant to
36 Section 4 of Article XIII A, or, as applicable, a 55-percent vote
37 pursuant to Section 4.5 of Article XIII A.

38 (3) Assessments as provided by this article.

39 (4) Fees or charges for property-related services as provided by
40 this article.

1 (b) For purposes of this article, fees for the provision of electrical
2 or gas service are not charges or fees imposed as an incident of
3 property ownership.

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